



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

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M/045/019

March 18, 2002

CERTIFIED RETURN RECEIPT
7099 3400 0016 8896 3953

Keith W. Moeller
Property Manager
Clifton Mining Company
70 West Canyon Crest Road, Suite D
Alpine, Utah 84004

Re: Surety Bond Release Request, American Consolidated Mining Company/Clifton Mining Company, Yellow Hammer Mine & Kiewit Exploration Project, M/045/019 & E/045/052, Tooele County, Utah

Dear Mr. Moeller:

Thank you for your March 4, 2002, letter advising us of your position regarding the recent bond release request filed by IMM-Dworkin Holdings Ltd. (IMM). Clifton Mining Company and IMM both signed permit transfers for these properties to effectively transfer the permits to IMM. As you are aware, IMM recently reclaimed these properties after they became the new owner following a foreclosure against American Consolidated Mining Company (ACMC) & Clifton Mining Company. The new owner has been paying the required permit fees for both permits since the foreclosure and your company's refusal to do so. IMM-Dworkin believes that as the new owner and permittee of these projects, they are entitled to receive the corresponding reclamation sureties now that they have reclaimed both sites.

A replacement surety is typically required as part of the Division's formal approval of the permit transfer process. We are seeking a replacement surety from IMM and will continue to hold the current reclamation sureties until we receive an amount sufficient to ensure the post-reclamation revegetation success of both project areas. If you have questions in this regard, please contact me at (801) 538-5306.

Sincerely,

Mary Ann Wright
Associate Director, Mining

jb
cc: Jennie Weible, IMM-Dworkin Holdings Ltd.
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